

**Lighthouse Construction Industry Charity**  
(A company limited by guarantee and having no share capital)

(Registered Number: 08244118)

(Charity Number: 1149488)

Annual report and financial statements  
for the period ended  
31 December 2014 (FY14)

# Lighthouse Construction Industry Charity

(A company limited by guarantee and having no share capital),(Company Number: 08244118),(Charity Number: 1149488)

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## Legal and Administrative Information

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<p><b>Auditors</b></p> <p>Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich Suffolk IP1 1TT</p>	<p><b>Solicitors</b></p> <p>Gordon Dadds 80 Brook Street Mayfair LONDON W1K 5DD</p>
<p><b>Principal Bankers</b></p> <p>Lloyds TSB 79 High Street CHESHAM Bucks HP5 1DE</p>	<p><b>Chief Executive and Company Secretary</b></p> <p>W Hill 1st Floor Office 11 Northgate Street IPSWICH Suffolk IP1 3BX <a href="mailto:Bill.Hill@LighthouseClub.org">Bill.Hill@LighthouseClub.org</a></p>
<p><b>Trustees</b></p> <p>J Everett C MacCrann D Oakervee M Roddy R Smith</p>	

# Lighthouse Construction Industry Charity

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## Trustees' Report

The Trustees of the Charity (who are also directors for the purposes of company law) are pleased to present their report and the audited financial statements of the Lighthouse Construction Industry Charity ("Charity") for the year ended 31 December 2014. (FY14).

### Our History

Back in 1956 a small group of individuals decided to do something about the growing problem of construction families thrown into poverty as a result of an illness, injury or death of the main breadwinner.

Following an evening out and underneath the flashing light of St Mary's Lighthouse, they created the Lighthouse Club.

The objective of the Club was to fundraise within a collegiate friendly environment and pass those funds on to individuals and families within the construction industry who were in financial crisis as a consequence of ill health, injury, disability or bereavement. The Lighthouse Club Benevolent Fund was established in 1962 as a registered charity to act as a conduit between the fundraising activities and the beneficiaries supported.

The Lighthouse symbol soon became a beacon of hope for those within the industry suffering considerable hardship and a new charity was born.

Under the "Lighthouse Club" banner the charity has grown from strength to strength and now operates through 21 independent Regional Clubs in the UK and Ireland along with a thriving overseas community in Asia Pacific, Middle East, Europe and the Americas.

All of our Regional Lighthouse Clubs are run by volunteers who give up their time freely to organise local networking events to raise much needed funds to deliver our charitable work.

During 2012 it was agreed that the Lighthouse Club and the Lighthouse Club Benevolent Fund should be merged into a new charity called the Lighthouse Construction Industry Charity. In doing so the charity would gain more flexibility in the pursuit of its charitable projects and gain a more streamlined governance and reporting structure. This Charity was incorporated on 8 October 2012 and commenced trading on 1 January 2013.

On 31<sup>st</sup> October 2013 the Charity merged the assets of the National Lighthouse Club. This organisation was an unincorporated association and up until merger performed the governance and administration functions for the Lighthouse Club membership and the Regional Lighthouse Club branches.

On 31<sup>st</sup> December 2013 the Charity, with the permission of the Charities Commission, also merged the assets of the Lighthouse Club Benevolent Fund Charity (Charity Number 205670).

FY14 is the first full year under the new Charity and operating structure.

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## Our Mission

*The Charity exists to deliver the following services to the Construction Community of the UK and Ireland:*

*Provide financial assistance, welfare advice, wellbeing advice, legal advice and emotional support to relieve hardship and stress.*

*Promote initiatives aimed at avoiding accidents and improving safety on construction sites.*

*Support educational initiatives aimed at improving employment conditions and career opportunities within the construction industry.*

*Support and deliver local and national events that embrace networking, fundraising and fellowship within the construction industry*

*Support other purposes which are charitable under the law of England and Wales and which the trustee directors, at their discretion, consider appropriate from time to time.*

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## How we are governed and organised

### Structure

The Charity comprises a Board of Trustees, a central office with paid staff headquartered in Ipswich, a satellite office with paid staff in Stockport dedicated to the administration of our charitable projects and 21 Regional Lighthouse Clubs run by volunteer Committees. These Regional Lighthouse Clubs operate independently and are tied to the Charity through an affiliate agreement. The charity also has an annually subscribing membership of over 3,500.

### The Constitution of the Charity and the Board of Trustees

The Charity is governed by its Articles of Association. These provide that the Charity shall be managed by the Trustees who are currently full members of the Charity and its directors. Together, the Trustees comprise the Board.

New Trustees are appointed by the Board which seeks to ensure that there is a broad range of relevant skills and experience on its body.

The Trustees provide their time at no charge to the Charity. The Charity has no share capital and hence the Trustees have no disclosable interests in the company. No dividends may be paid to any members.

Trustees are provided with details of their responsibilities as Charity trustees upon their appointment and receive a copy of the Charity Commission's "Essential Trustee" booklet. Trustees are encouraged to attend training events to brief them on their legal and other obligations under charity and company law whilst also assisting them in their role as a Board member.

The Board of Trustees meets at least four times each year. It is responsible for overseeing the management and administration of the Charity, its finances and its overall policies and approving the commissioning of projects and the awarding of grants. The Charity seeks to involve as many Trustees as possible in different aspects of its operations, for example sitting on internal committees, helping organise events, liaising with the Regional Lighthouse Clubs, attending Regional Lighthouse Club Committee meetings and functions and assisting with our charitable projects.

The Trustees who served throughout the period are shown below:

J Everett	(appointed 08/10/2012)
C MacCrann	(appointed 24/07/2013)
S Nelson	(resigned 27/06/2014)
D Oakervee	(appointed 08/10/2012)
M Roddy	(appointed 08/10/2012)
R Smith	(appointed 08/10/2012)

### Major risks

The charity is exposed to a number of financial risks:

**Credit risk:** The principal financial assets are bank balances and credit risk is primarily attributable to bank balances. To mitigate the risk the Trustees review the level of balances held with each institution and review credit ratings.

**Liquidity risk:** The charity seeks to ensure sufficient liquidity is available to meet foreseeable needs. The Trustees aim to hold adequate cash deposits to ensure volatility in short term income should not impact on expenditure and to ensure that the charity is able to continue in its current manner should unforeseen events arise.

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## Governance, Audit and Charitable Projects

In order to promote good governance and best practice, the Board of Trustees has 3 committees.

**The Governance and Audit Committee:** The Governance Committee has a trustee chairman and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to ensure that all matters of good governance and best business practice are effective throughout the entire organisation of the Charity, both at the central administrative and satellite offices. Its responsibility is also to consider reports from the auditor and advise the Board on financial control and effectiveness.

**The Charitable Projects Committee:** The Charitable Projects Committee has a trustee chairman and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. This committee communicates regularly by email, phone or in person to review all charitable projects. Its responsibilities are to review and authorise all the Charity's project proposals whether these be individual one off applications for financial support, monthly applications for financial support or grants for other charitable activities within our charter.

**Nominations Committee:** The Nominations Committee has a trustee chairman and co-opts other Lighthouse Club supporters to join as and when specialist knowledge is required. Its responsibility is to continually review the members of the Board, identify skill gaps within our governance structure and nominate potential candidates to the Board as new Board members or Directors.

## Management

The Charity employs a full time Chief Executive who is supported by 2 full time and 1 part-time staff. In addition a number of external contractors are engaged to carry out certain operations of the Charity. A detailed business plan and an annual financial budget are prepared by the Chief Executive and reviewed and approved by the Board. The performance of the Charity is measured by the Board against both the business plan and the annual budget on a quarterly basis.

## Regional Lighthouse Clubs

The Charity is very much indebted to its volunteer regional organisation. Currently there are 21 independent Regional Lighthouse Clubs. They are staffed entirely by volunteers (more than 150 in all) who are drawn from the charity membership and include a chairman, a secretary, a treasurer and a welfare officer. The Regional Lighthouse Clubs operate throughout almost the entirety of the British Isles. The constitution of each Club can be different but is broadly based on a central model constitution communicated by the Charity. Each Regional Lighthouse Club acts as an independent entity. They deliver fundraising and networking events throughout the year and pass over the surplus takings by way of donation to the Charity. The Regional Lighthouse Clubs are tied to the Charity via an affiliate agreement. This agreement grants the Regional Lighthouse Clubs the right to the Charity's name and logo and sets out an operating framework to protect both the Charity and the Regional Lighthouse Club.

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## How we raise our funds

The Charity has 5 primary income sources:

- 1. Events :** We fundraise through the delivery of events which are also used to recruit new members. These range from sporting dinners, corporate golf days and glamorous dinner dances to “once in a lifetime” physical challenges. As a result the Charity has to constantly organise events, pay for marketing, pay for venues, facilities, entertainment, hospitality and the other resources required to deliver quality events. Our objective is always to maximise the funds generated by all our events but inevitably significant costs can be incurred. The vast majority of our events are run by our Regional Lighthouse Clubs whose dedication and commitment are at the heart of the Charity. The cost of running the Regional Lighthouse Club events are not shown in the annual accounts as they run autonomously from the Charity. However, in accordance with accounting standards the cost of events are shown separately from the related income in the Statement of Financial Activities for all central Charity organised events. As a result the operational cost base of the Charity appears inflated when compared with charities that rely mainly on donations and legacy income.
- 2. Membership Subscriptions:** At our events we encourage participants to become Members of the Lighthouse Club. We enjoy the support of over 3500 members who donate an annual subscription to the Charity every year. Our membership does not accrue any benefits nor do they have any voting rights on the operations of the charity. All members receive our newsletter twice a year and invitations to regional and national events.
- 3. Corporate Engagement:** The third key area of income comes from our engagement with the corporate community. We have a programme to encourage support through an Annual National Appeal. This programme is proving very successful in securing funding for our charitable work.
- 4. Trusts, Foundations and Legacies:** The Charity does not benefit from public sector funding. The vast majority of the funds raised to date have been through regional and central events and have relied on the support of private individuals and the business community.
- 5. Donated Goods and Services:** The Charity receives donations of goods and services from both corporate and individual supporters. These items are often repackaged for auction at some of our charitable events.

## The charitable projects that we support

The Charity now provides a 24x7 Construction Industry Helpline 0845 605 1956 and supporting website [www.ConstructionIndustryHelpline.com](http://www.ConstructionIndustryHelpline.com) that provides the gateway to deliver:

**EMERGENCY FINANCIAL AID** to the construction industry community in times of crisis following an illness, accident, injury or bereavement that forces a family into a state of poverty.

**ADVICE** on a range of matters including:

- Occupational health and wellbeing issues as an employee or an employer (through our partners Constructing Better Health)
- Support and advice for sufferers of stress and addiction related illness
- Advice on matters ranging from divorce to employment
- Advice on specific tax related issues concerning employment within the construction sector (through our partners RIFT)
- Help to manage and reschedule debt
- Help to understand the benefits system and entitlement, especially if caring for others
- Support on career changes, especially after accident or injury preventing return to work



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**SAFETY IMPROVEMENT REPORTING:** (Currently in pilot) This is a very exciting project for the Charity. Companies big and small will be able to register their organisation for our phone in Safety Improvement Reporting. This means that anyone onsite can report to our Helpline a "near miss" or a potential "safety improvement". Our support centre will record the call on a standard form and send it to the participating company for onward action. The person reporting the Safety Improvement Report simply talks to our contact centre, while we do all the form filling.

The evidence in the market is overwhelming *"for every 300 Safety Improvement Reports that are followed up with action we can expect to have helped avoid one serious accident"* that has to be great news for the industry.

## Public Benefit

The Charities Act 2011 requires an identifiable benefit or benefits to arise from the work of charities, and such benefits must be to the public or a section of the public. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The significant activities undertaken to carry out our aims for the public benefit and our achievements measured against those aims are provided in this report.

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## Our performance for the year ended 31 December 2014 (FY14)

Key Performance Indicators	FY14	FY13	% Change
	£	£	
<b>Income</b>			
Voluntary Income	583,530	558,476	4%
Event Income	538,095	274,716	96%
Other Income	3,406	14,044	-76%
<b>Total Income</b>	<b>1,125,031</b>	<b>847,236</b>	<b>33%</b>
<b>Expenditure</b>			
Voluntary Income Generation Costs	104,125	97,252	7%
Event Income Generation Costs	355,395	265,212	34%
Administration Costs	12,316	13,047	-6%
Governance and Audit Costs	53,031	16,373	224%
<b>Total Costs</b>	<b>524,867</b>	<b>391,884</b>	<b>34%</b>
<b>Net Funds GENERATED</b>	<b>600,164</b>	<b>455,352</b>	<b>32%</b>
<b>Total Funds SPENT on charitable work</b>	<b>483,537</b>	<b>453,013</b>	<b>7%</b>
<b>Net Incoming/ (Outgoing) to reserves</b>	<b>116,627</b>	<b>2,339</b>	
<b>Performance ratios</b>			
Voluntary Income Margin	82%	83%	
Event Margin	34%	3%	
Charity Administration Cost/Total Income	1%	2%	
Charity Governance Cost/Total Income	5%	2%	
Funds GENERATED/Total Income	53%	54%	

During the course of FY14, confidence and growth returned to the construction industry. This sentiment was also reflected in the results of a very busy year for the Charity.

Our aim in FY14 was to build on the major changes we introduced last year by:

- increasing fundraising by concentrating on event margins and corporate support,
- raising the profile and increasing the support of our charity within the construction community,
- continuing the modernisation of our charity's internal support systems,
- developing and delivering new charitable activities that give assistance to a greater number of the construction community in need of our support.

During FY14 we reviewed the events that we operated nationally and concentrated on delivering fewer high quality events that generated a greater surplus for the charity. As a result our event income grew 96% and our event margin increased from 3% in FY13 to 34%.

Our Corporate and Company Donations over the same period grew by 51%. Some of this growth is due to better recognition and classification of General Donations that are down on last year but the bulk of the growth has been gained through promoting the services we provide to the construction community and as a result many companies have given us benefitting events or made our charity their Charity of the Year.

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In December 2014 the charity was delighted to launch a new initiative in partnership with the Considerate Constructors Scheme (CCS) to promote and raise funds for our Construction Industry Helpline. They have created a wristband and a poster that can be bought through CCS and they are promoting this to all their new sites. We are hopeful that this partnership will raise our profile significantly in FY15 and generate a new funding stream.

The Regional Lighthouse Clubs are the backbone of our Charity and through their activities that are all volunteer led, they generated £231,329 in FY14.(FY13,£272,847). 15 of our 21 Regional Lighthouse Clubs donated in FY14 which was the same number as last year although the value was down 15%. This reduction in our regional volunteer contribution is primarily related to our issues with the Lighthouse Club London. Over the years this club has been a significant contributor, however in FY14 we had to disassociate the Lighthouse Club London from the Charity due to irreconcilable differences and their refusal to sign our Regional Lighthouse Club Affiliate Agreement. The Lighthouse Club London has raised significant funds in the name of our Charity over several financial years but has failed to donate the funds generated. The Charity has tried to reconcile the issues between the parties and resolve matters amicably but discussions have failed. We have reported the incident to the Charity Commission and we are working with lawyers about this matter. This has resulted in a significant increase in our Governance costs in FY14 and we may have to make similar provisions in FY15.

Our Individual Annual Membership Donations are up 26% on FY13. Our Regional Lighthouse Clubs continue to promote annual membership at their events and we are now seeing a growth of new members through our website.

This financial growth could have been more significant if we had applied for Gift Aid registration for our Charity. This is clearly an oversight and has recently been addressed. However, the biggest opportunity for growth in this area is company membership. We launched a new initiative in FY14 but have failed to market this and make significant progress.

Funds generated as a percentage of overall income is broadly in line with last year and the Administrative Costs remain low at 1p in every pound of income.

## **Charitable Work:**

Our charitable work has never been so relevant or urgently needed. Our work is limited by the finance and the resources available to evaluate the requests for financial help that are presented to us. We rely heavily on a small number of volunteer Welfare Officers that are controlled from our satellite office in Stockport and a small dedicated Trustee led committee to evaluate and approve the grants made.

In October 2014 we launched our 24x7 Construction Industry Helpline to be the central point of contact for all our charitable activity and to deliver new support and assistance services to the construction workforce and their families in need. In the first 3 months of operating the Helpline has taken 160 calls. 128 of these calls have been to request financial aid, 2 calls have been for Tax Assistance and 30 calls have been for occupational and wellbeing Advice. (Cost FY14 £28,157). As we promote the Helpline through the Considerate Constructors Scheme and other avenues we will see a significant increase in our Helpline activity in FY15.

## **During the year aid was given to:**

337 cases totalling	£398,762 (2013: 339 Cases totalling £ 403,264)
163 received a one-off lump sum grant totalling	£ 94,292 (2013: 175 Cases totalling £ 111,364) and
174 received a monthly grant amount totalling	£304,470 (2013: 164 Cases totalling £ 291,900)

All cases were assessed by a small Trustee led committee and we are grateful for their time and dedication. Examples of some of the grants made are shown in the table overleaf. The cost of supporting our volunteer welfare network was £51,618 (Cost FY13 £47,056)

We have yet to fully articulate our education strategy but during FY14 we supported students from disadvantaged backgrounds who are studying at university for relevant construction oriented degrees to the value of £5,000 (Cost FY13 £2,693)

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## Charitable Work Examples:

Region	Circumstances
South West	Mr T, a 39 year old carpenter was a passenger in a tragic road traffic accident that killed his wife, brother and his brother's partner. Mr T sustained severe debilitating injuries and is currently immobile. The Lighthouse Club has awarded a grant of £500 towards a mobility scooter.
North East	After a horrendous accident with an angle grinder. Mr H, a self-employed labourer in his early 40's will be severely incapacitated for some time. He cannot work and has a wife with 3 dependent children under the age of 16. The Lighthouse Club has awarded him £200 per month for 12 months to relieve the financial stress.
Midlands	Mr P, a 26 year old ground worker was crushed by an excavator. He will be unable to work and provide for his wife and young family for some time. The Lighthouse Club awarded him £200 per month for 12 months.
Midlands	Mr W, a 60 year old heating engineer has 6 months to live after being diagnosed with cancer. He and his wife would like to take one final holiday away together but as they are on state benefits and have no savings, this is not possible. The Lighthouse awarded £500 towards a holiday.
London	Mr M a 50 year old site manager had a serious accident while working for a major construction company in London. He is expected to be off work for some time and currently spends most of his time laid up in bed on painkillers as his debt mounts up. Lighthouse Club awarded him £200 per month for 6 months to help relieve financial stress.
North West	Mr M, a door engineer in his mid 30's suffered a back injury that needed a major operation. He is not expected to return to work for at least 10 weeks. His income has dropped to £84 per week Statutory Sick Pay but with a wife and 2 young children to support he cannot make ends meet. Lighthouse Club awarded a lump sum grant of £1,000 to help his financial crisis until he returns to work.
North East	Mr D, a bricklayer, had a fall at work that ended his construction career. He is not very mobile and cannot get out much. The Lighthouse Club paid £400 for a computer to get him online and in touch with his friends and family.
Midlands	Mr P, a 30 year old driver for a major construction company was killed in a road traffic accident leaving behind a wife and 5 dependent children. Their family house was repossessed and they have been forced to leave. Their new home does not even have the bare essentials. The Lighthouse Club awarded £400 towards a new cooker.
Scotland	After suffering a severe head injury from a fall at work, Mr M is now severely incapacitated and cannot work. Their only son is going through education but with being on benefits they cannot help out with his costs. The Lighthouse Club awarded £100 per month for 18 months to see their son through his education.

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## Reserves Policy

The Charity's objective is to donate its entire surplus over the medium term, subject to maintaining reserves in accordance with good accounting and business practices. The Board is aware of the Charity Commission's paper concerning reserves policies. The policy is reviewed on an annual basis.

**Unrestricted Funds:** The reserve represents the funds available to the Charity for investment in new charitable projects or to create additional income.

**Designated Funds:** The reserve of £62,168 covers 3 months budgeted operating costs for the Charity for the following year. (Our budget for FY15 is set at £250,000). This designated fund is thanks to the bequest of Harry Collins.

**Restricted Funds:** The reserve covers all funds received by the Charity for named specific purposes that have yet to be spent. The Charity has no funds in this category.

The Trustees consider the financial position of the Charity to be satisfactory.

## Outlook

The Charity has now had its first full year under its new constitution and has performed well against the objectives set for FY14, but there is a long way to go to achieve the aspirational goals set for 2020 which are:

- Be on target to invest over £1,000,000 on charitable activity in the British Isles every year.
- Help our Regional Lighthouse Clubs grow to deliver over £500,000 of donations each year
- Increase our national event margins to over 30%
- Grow our corporate support to achieve over £500,000 per year
- Grow our Lighthouse Club membership to over 10,000

During FY15 our intention is to develop a 5 year Strategic Business Plan for the Charity and formulate a "roadmap" to achieve our aspirational goals. However our short term focus for FY15 will be to:

- Grow our individual and company membership
- Increase our central support and communications with our affiliated Regional Lighthouse Clubs to help them grow
- Resolve our issues with the Lighthouse Club London
- Grow our networking and event fundraising while maintaining a margin of over 30%
- Promote and grow our charitable services via our Construction Industry Helpline to a greater number of businesses in our sector

**FY15 will be another challenging year but one that we look forward to,  
thanks to the momentum generated in FY14.**

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## Statement of Board of Trustees' responsibilities

The Board of Trustees, who are also the directors of the Lighthouse Construction Industry Charity for the purpose of Company Law, are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Board of Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement as to disclosure of information to the auditor

The trustees and directors as at the date of approval of this Trustees Annual Report confirm that so far as each of them are aware:-

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Board of Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board of Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditor: Ensors Accountants LLP** were appointed as auditor during the period to fill a casual vacancy in accordance with section 485(3) of the Companies Act 2006.

Under section 487(2) of the Companies Act 2006, Ensors Chartered Accountants will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Trustees (who are also directors of Lighthouse Construction Industry Charity) and signed on their behalf by;

Cormac MacCrann  
Chairman of Trustees

Signature \_\_\_\_\_

DATE: 26<sup>th</sup> June 2015

# Lighthouse Construction Industry Charity

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## Independent auditors' report to the members of Lighthouse Construction Industry Charity

We have audited the financial statements of Lighthouse Construction Industry Charity for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor:

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements:

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report and in preparing the Trustees' Annual Report.

**Helen Rumsey (Senior Statutory Auditor)  
for and on behalf of Ensors Accountants LLP**

Chartered Accountants and Statutory Auditor  
Cardinal House  
46 St Nicholas Street  
Ipswich  
Suffolk



# Lighthouse Construction Industry Charity

(A company limited by guarantee and having no share capital),(Company Number: 08244118),(Charity Number: 1149488)

## Statement of Financial Activities for the year ended 31<sup>st</sup> December 2014 (incorporating an income and expenditure account and a statement of recognised gains and losses)

		<b>Total FY14</b>	<b>Total FY 13</b>
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds	Note		
Voluntary income	1	£583,530	£558,476
Activities for generating funds		£538,095	£274,716
Investment income		£0	£0
Incoming resources from charitable activities		£0	£0
Other incoming resources		£3,406	£14,044
<b>TOTAL INCOMING RESOURCES</b>		<b>£1,125,031</b>	<b>£847,236</b>
<b>RESOURCES EXPENDED</b>			
Costs of generating funds			
Costs of generating voluntary income	2	£104,125	£97,252
Fundraising	2	£355,395	£265,212
Charitable activities	2	£483,537	£453,013
Governance costs	3	£53,031	£16,373
Other resources expended	2	£12,316	£13,047
<b>TOTAL RESOURCES EXPENDED</b>		<b>£1,008,404</b>	<b>£844,897</b>
<b>Net incoming/(Outgoing) resources before transfers</b>		<b>£116,627</b>	<b>£2,339</b>
Gross transfers between funds		£0	£0
<b>Net Income and expenditure and net movement in funds</b>		<b>£116,627</b>	<b>£2,339</b>
<b>Total Funds brought forward at beginning of year</b>		<b>£484,322</b>	<b>£481,983</b>
<b>Total Funds carried forward at end of year</b>		<b>£600,949</b>	<b>£484,322</b>

All amounts relate to unrestricted funds and represent continuing operations. Information up to and including net income and expenditure represents the information required by the Companies Act 2006. It excludes unrealised gains on investments in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" as revised in 2005.

The notes to the accounts form an integral part of the financial statements

# Lighthouse Construction Industry Charity

(A company limited by guarantee and having no share capital),(Company Number: 08244118),(Charity Number: 1149488)

## Balance Sheet as at 31st December 2014

	Note	Total FY14	Total FY13
<b>Fixed assets</b>			
Tangible assets		£731	£2,658
<b>Total fixed assets</b>	6	£731	£2,658
<b>Current assets</b>			
Stock and work in progress		£153	£968
Debtors	7	£35,494	£3,714
Cash at bank and in hand		£616,321	£532,696
<b>Total current assets</b>		£651,968	£537,378
<b>Creditors: amounts falling due within one year</b>	8	£51,750	£55,714
<b>Net current assets</b>		£600,218	£481,664
<b>Net assets</b>		£600,949	£484,322
<b>Funds of the Charity</b>		<b>FY14</b>	<b>FY13</b>
Unrestricted funds	9	£538,781	£422,154
Designated Funds	9	£62,168	£62,168
Restricted income funds		£0	£0
<b>Total funds</b>		£600,949	£484,322

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board on June 26<sup>th</sup> 2015, signed and approved for release on its behalf by:

Cormac MacCrann  
Chairman of Trustees

Signature \_\_\_\_\_

DATE: 26<sup>th</sup> June 2015

# Lighthouse Construction Industry Charity

(A company limited by guarantee and having no share capital),(Company Number: 08244118),(Charity Number: 1149488)

## Principal Accounting Policies

### **Basis of accounting**

The financial statements have been prepared on a historic cost basis and in accordance with the requirements of the Companies Act 2006, the applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice ("SORP 2005") "Accounting and Reporting by Charities" and the Charities Act 2011.

### **Incoming resources**

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Income comprises membership, donations, income receivable from events organised during the year and interest receivable. Donations are recognised when received and comprise amounts received which are not connected to fundraising events. Legacies are recognised when the income is received. All other income is accounted for on a receivable basis. Income principally arises within the United Kingdom. Related gift aid is recognised when a claim is submitted.

### **Resources expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Costs have been attributed to one of the financial categories of resources expended in the Statement of Financial Activities. (SOFA).

### **Charitable Activities**

Charitable activities comprise grants and donations paid or unconditionally committed to charitable projects.

### **Fundraising and costs of generating voluntary income**

Fundraising and costs of generating voluntary income include the expenses of fundraising events, promotional activities, staff and other costs directly involved in this activity.

### **Governance costs**

Governance costs relate to the compliance with constitutional and statutory requirements.

### **Apportionment of costs**

Where costs cannot be directly attributed to a particular heading, they have been apportioned to each functional category of resources expended. The allocation is based on several criteria including time spent.

### **Liabilities**

Liabilities are recognised when there is a legal and constructive obligation committing the Charity to the expenditure.

# Lighthouse Construction Industry Charity

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## Pension contributions

Pension contributions are made to either the employees' company arranged stakeholder scheme or the staff member's own pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The Charity currently does not make any pension contributions for any of its employees.

## Tangible fixed assets

Tangible fixed assets are capitalised at cost where their acquisition value is greater than £500, and are stated at cost, net of depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:-

Equipment	33 1/3%
Computer equipment	33 1/3%
Leasehold improvements	20%

Residual value is calculated on prices prevailing at the date of acquisition. Assets under £500 are immediately written down to 1p and held on the balance sheet until disposal.

## Investments

Fixed asset investments are stated at cost. Provision is made for any impairment in the value of fixed asset investments.

## Stocks

Stocks are valued at the lower of cost and net realisable value.

## Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Board in furtherance of the objectives of the Charity.

## Designated funds

The designated funds represents 3 months of working capital to cover the cost of central functions should the revenue streams prove inconsistent to the business plan. The Trustees review this policy annually taking into account the prevailing economic conditions.

## Restricted Funds

Restricted funds are those funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

## Cash flow statement

The Company has taken advantage of the exemptions for small-sized companies set out in FRS 1 (Revised) not to prepare a cash flow.

## Irrecoverable VAT

All irrecoverable VAT on revenue costs is charged to the statement of financial activities.

## Donated Goods and Services

Donations in kind are included in incoming resources when the benefit to the Charity is reasonably quantifiable and measurable. They are valued by the trustees at the amount the Charity would have been willing to pay for the goods or services on the open market. There have been no significant donations of this nature in FY14.

# Lighthouse Construction Industry Charity

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## Notes to Accounts

### 1: INCOMING RESOURCES

#### VOLUNTARY INCOME

	FY14	FY 13
Regional Club Donations	£ 231,329	£ 272,847
Company Donations	£ 262,897	£ 173,406
Individual Donations	£ 59,079	£ 47,194
General Donations	£ 30,225	£ 65,029
Total	<u>£ 583,530</u>	<u>£ 558,476</u>

### 2: RESOURCES EXPENDED

Detailed below are shown the breakdown of the Resources expended by the Charity. For comparative purposes the total Resources Expended are shown before and after allocations to the relevant areas of activity.

#### Total Resources Expended (before allocation)

	FY14	FY13	%
Staff Costs	£ 140,870	£ 114,820	23%
Office Costs	£ 32,982	£ 36,457	-10%
Marketing	£ 27,904	£ 43,162	-35%
Governance	£ 53,031	£ 16,373	224%
Total	<u>£ 254,787</u>	<u>£ 210,812</u>	<u>21%</u>
Direct Fundraising Event Costs	£ 321,697	£ 228,128	41%
Grand Total	<u>£ 576,484</u>	<u>£ 438,940</u>	<u>31%</u>

#### Total Resources Expended (After Allocations)

FY14

	Voluntary Income	Fundraising Events	Administration	Governance & Audit	Charitable Activities	Total
Staff Costs	£ 61,511	£ 30,754	£ 10,252	£ -	£ 38,354	£ 140,871
Office Costs	£ 14,710	£ 2,944	£ 2,064	£ -	£ 13,264	£ 32,982
Marketing	£ 27,904	£ -	£ -	£ -	£ -	£ 27,904
Governance	£ -	£ -	£ -	£ 53,031	£ -	£ 53,031
Total	<u>£ 104,125</u>	<u>£ 33,698</u>	<u>£ 12,316</u>	<u>£ 53,031</u>	<u>£ 51,618</u>	<u>£ 254,788</u>
Direct Fundraising Event Costs	£ -	£ 321,697	£ -	£ -	£ -	£ 321,697
<b>Charitable Giving</b>						
Financial Aid					£ 398,762	£ 398,762
Construction Industry Helpline					£ 28,157	£ 28,157
Education					£ 5,000	£ 5,000
Grand Total	<u>£ 104,125</u>	<u>£ 355,395</u>	<u>£ 12,316</u>	<u>£ 53,031</u>	<u>£ 483,537</u>	<u>£ 1,008,404</u>

# Lighthouse Construction Industry Charity

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## 3: GOVERNANCE COSTS

		<b>FY14</b>		<b>FY13</b>
Audit Fees	£	<b>5,740</b>	£	7,850
Legal Expenses	£	<b>45,958</b>	£	7,614
Trustee Expenses	£	-	£	497
Trustee Meetings	£	<b>1,333</b>	£	412
Allocated Staff Costs	£	-	£	-
Total	£	<b>53,031</b>	£	16,373

The Legal fees incurred relate to action required to recover significant funds raised by the Lighthouse Club London but have not been donated to the charity. This action is ongoing into FY15. The reduction in Audit fees represents savings being one entity and using a local firm.

## 4: EMPLOYEES

### Employee Costs (Excluding expenses and temporary staff)

		<b>FY14</b>		<b>FY13</b>
Salaries	£	<b>116,479</b>	£	81,722
Social Security costs	£	<b>12,055</b>	£	15,522
Pension costs	£	-	£	-
Total	£	<b>128,534</b>	£	97,244

In FY13 the full time CEO was in office for 6 months compared to 12 months in FY14. No employee earned more than £60,000 during this or the prior period.

### Number of people employed in the Charity at Year End

	<b>FY14</b>	<b>FY13</b>
National Office	2.5	2.5
Welfare Satellite	1	1
Total	3.5	3.5

No Board member received any emoluments during the year ended 31 December 2014 (2013: £nil). During the year, no expenses were incurred by Trustees (2013: £497) which mainly relates to travel.

## 5: NET INCOMING/(OUTGOING) RESOURCES

<b>This is stated after</b>		<b>FY14</b>		<b>FY13</b>
Auditors remuneration				
Audit services	£	<b>5,740</b>	£	7,850
Depreciation				
Owned tangible fixed assets	£	<b>3,157</b>	£	755
Rents payable under operating leases	£	<b>10,655</b>	£	10,655

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## 6: FIXED ASSETS

	<b>Equipment</b>
<b>Cost</b>	
At 1 January 2014	£ 14,889
Additions	£ 1,230
	<u>£ 16,119</u>
<b>Depreciation</b>	
At 1 January 2014	£ 12,231
Charge for the period	£ 3,157
	<u>£ 15,388</u>
<b>Net book value at 31 December 2014</b>	<u>£ 731</u>
Net book value at 31 December 2013	<u>£ 2,658</u>

## 7: DEBTORS

	<b>FY14</b>	<b>FY13</b>
Trade debtors	£ 24,442	£ 3,025
Other debtors	£ -	£ 478
Prepayment and accrued income	£ 11,052	£ 211
Total	<u>£ 35,494</u>	<u>£ 3,714</u>

## 8: CREDITORS

	<b>FY14</b>	<b>FY13</b>
Trade creditors	£ 5,695	£ 8,687
Other creditors	£ 4,173	£ 47,027
Accruals and deferred income	£ 41,882	£ -
Total	<u>£ 51,750</u>	<u>£ 55,714</u>

## 9: UNRESTRICTED FUNDS

	Designated Funds	Unrestricted Funds	Total Unrestricted Funds
At 1 January 2014	£ 62,168	£ 422,154	£ 484,322
Incoming resources	£ -	£ 1,125,031	£ 1,125,031
Less:			
Costs of generating funds	£ -	£ 459,520	£ 459,520
Charitable Activities	£ -	£ 483,537	£ 483,537
Governance Costs	£ -	£ 53,031	£ 53,031
Other resurces expended	£ -	£ 12,316	£ 12,316
Transfers	£ -	£ -	£ -
At 31 December 2014	<u>£ 62,168</u>	<u>£ 538,781</u>	<u>£ 600,949</u>

# Lighthouse Construction Industry Charity

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## 10: ANALYSIS OF NET ASSETS BY FUND

All funds of the charity are unrestricted.

## 11: FINANCIAL COMMITMENTS

At 31 December 2014, the Charity had no material annual commitments under non-cancellable operating leases and no material long term commitments to expenditure. However, the Charity has taken on a 3 year software licence commitment for the setup and running of their 24x7 Helpline that will cost in the region of £30,000 over FY15 and FY16 and has a commitment to pay a property lease on the offices in Ipswich of £3,900 per year until 31/01/2016

## 12: LEGAL STATUS

The Charity is a company limited by guarantee and has no share capital. The Trustees are the Directors of the company and also its only members. The liability of each member in the event of a winding-up is limited to £1.